

# THE CORPORATE STRUCTURE OF THE M.S. STAINLESS INTERNATIONAL GROUP

**The M.S. STAINLESS INTERNATIONAL GROUP  
consists of three independently operating companies:**



**M.S. STAINLESS INTERNATIONAL BV  
The Netherlands**



**AUSTENITE PRODUCTS AG  
Switzerland**



**ALINOX SRL  
Italy**

## **The objective of the M.S. STAINLESS INTERNATIONAL GROUP**

*The M.S. STAINLESS INTERNATIONAL GROUP supplies stainless steel components used for liquid storage, liquid processing and liquid transport in the food and allied sectors, the pharmaceutical, light chemicals and allied industries. Sixty percent of the group's sales goes to machine and equipment builders that produce capital goods for these sectors.*

### **A UNIQUE BUSINESS PHILOSOPHY AND ORGANIZATIONAL STRUCTURE**

*The M.S. STAINLESS INTERNATIONAL GROUP can best be summarized as a fittings and accessories manufacturer without its own production facilities. Aided by CAD-CAM, the group develops and designs both general and specific products for its target groups. It buys the required basic materials for this itself, while the production of its self-developed final products is subcontracted to specialized processing centers throughout the world.*

*For this reason, the group can guarantee the best possible price-quality ratio.*

### **QUALITY**

By purchasing the basic material itself and then applying a system of consistent quality control on semi-manufactured articles and final products, the M.S. STAINLESS INTERNATIONAL GROUP has direct control over the quality of the final products it supplies. Standard practice includes delivery of these products with a materials certificate complying with the EN 10204 3.1.B standard.

### **RESEARCH & DEVELOPMENT**

By controlling Research & Development itself, the M.S. STAINLESS INTERNATIONAL GROUP can take advantage of technical developments as well as the specific quality and product requirements of its target groups. By applying internationally accepted standards and regulations, the group can supply a final product that will be optimal in every respect. The group can also supply a wide array of alternative products that are interchangeable with those of other manufacturers.

### **PRODUCTION CONTRACTED OUT**

By contracting out its production to specialized processing centers, the M.S. STAINLESS INTERNATIONAL GROUP can deliver its products quickly and efficiently, even when it comes to specific products that have to be produced in a small series.

### **PRICE**

With this approach, the M.S. STAINLESS INTERNATIONAL GROUP can offer the best possible price. Throughout our operational management, attention is focused on providing an optimal cost structure. This applies not only to the purchasing of semi-manufactured articles and production carried out by specialized processing centers, but also to development & research, logistics, sales and after-sales, and even to the group's central administration.

To realize this, the M.S. STAINLESS INTERNATIONAL GROUP has opted to have its commercial and logistics activities conducted separately.

## CBU en LBU

Within the M.S. STAINLESS INTERNATIONAL GROUP, commercial and logistic activities are kept strictly separate. The group operates with commercial business units (CBUs) and logistics business units (LBUs). The LBU provides logistics services at cost to the CBU. Logistics services include such departments as product research and development, purchasing, internal and external transport, as well as stock management.

The LBU is completely focused on its objective of:  
*providing logistics services*

The CBU directs 100% of its efforts toward its core activities:  
*market and product research, sales and after-sales*

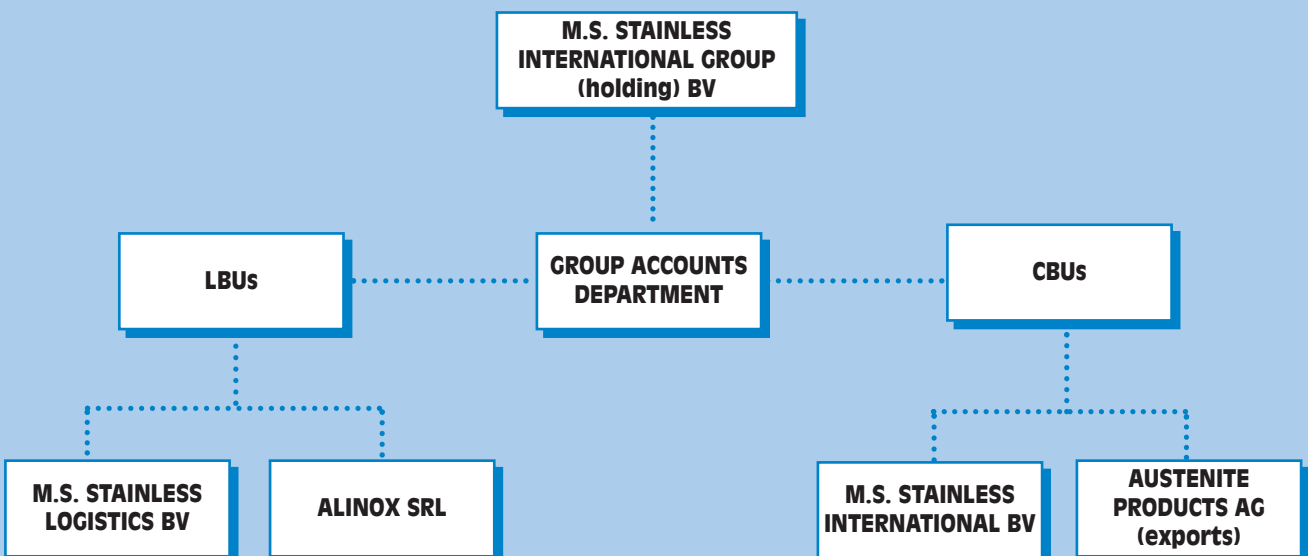
In addition, the Central Administration can focus completely on its core activity:  
*providing administrative and financial services for all four affiliated companies.*

When deciding on a location for an LBU, the basic assumption is to be able to deliver material from stock to buyers within a 24-hour period, while the CBU is “closer to the buyer” in terms of language, culture and product requirements in order to supply optimal customer service.

CBUs, LBUs and the Central Administration all operate on a single computer system to ensure the continuous availability of up-to-date information.

*Other important advantages:*

- ▶ Flexible goal-oriented business units with short internal and external lines of communication.
- ▶ Clear, transparent, and therefore well-managed cost structures.
- ▶ Several CBUs affiliated with a single LBU can make use of one another’s services.



**In addition, the M.S. STAINLESS INTERNATIONAL GROUP  
can truly say that it is:**

## **COMPLETELY INDEPENDENT AND EXPERT IN ITS FIELD**

The M.S. STAINLESS INTERNATIONAL GROUP operates independently of manufacturers. More than 30 years of independent experience guarantee honest, expert, free advice. For specific processing situations, the M.S. STAINLESS INTERNATIONAL GROUP provides the opportunity for testing its products on a “no-cure, no-pay” basis.

## **MARKET DEMANDS**

The M.S. STAINLESS INTERNATIONAL GROUP offers a wide production program and product range geared to *market demands*. For its international contacts, the group is also able to deliver many *specific* makes.

## **QUALITY**

The M.S. STAINLESS INTERNATIONAL GROUP has taken a high level of quality and a stringent system of quality control as a basis. To ensure this, use is made of a quality manual in which detailed drawings specify the checks required for each product. These requirements are based on international norms and sanitary requirements, supplemented by our own higher standards.

## **RELIABLE, FAST AND FLEXIBLE**

The M.S. STAINLESS INTERNATIONAL GROUP devotes itself 200% to being a reliable supplier. Stock articles are delivered within 24 hours of ordering by means of fast, efficiently traceable, low-cost transport channels. When delivering on a longer term basis, customers receive clear delivery agreements and adequate, on-time logistic information.



### **NEDERLAND**

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